

Disaster Reimbursements

MEMA's Process to Reimburse
Municipalities under the FEMA
Public Assistance Program

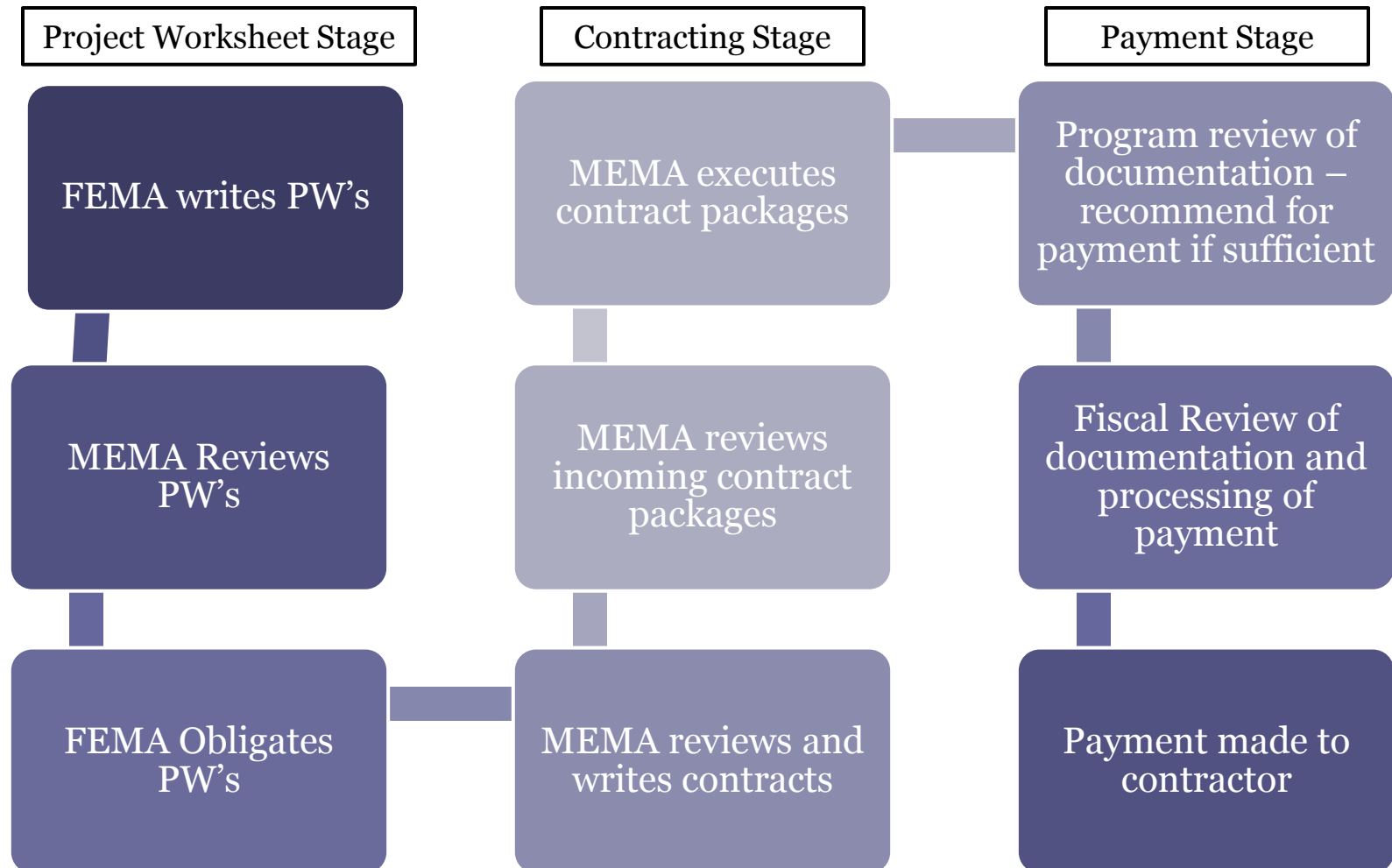
Purpose of Presentation

- Identify the stages of the process through which reimbursements must move before payments can be made.
- Detail the steps to be taken by FEMA, the state, and your community for payment of disaster reimbursements.
- Explain documentation and audit requirements for all payments
- Review record keeping requirements and retention schedules



FEMA

Reimbursement Process



Project Worksheet Stage

- FEMA works with applicant to gather documentation and write Project Worksheet.
- Project Worksheets and Scope of Work is developed and goes to State Review queue.
- Once MEMA approves project in State Review, FEMA makes final review and obligates project.
- Final FEMA approval/obligation is the start of the state process for grant management

Contracting Stage

- Each PW is reviewed again after obligation to ensure consistency and that it is ready for contracting.
- Contracts are developed and sent out for eligible projects.
- Completed contract packages are reviewed for compliance and are executed by MEMA.
- Individual projects are then reviewed to determine reimbursement status.

Payment Stage

- Contract does not guarantee reimbursement
- Prior to payment, it is the Grantee's (MEMA) responsibility to ensure costs claimed.
- These costs are supported with source documentation by the applicant.
- Since it is a reimbursement program, must prove payment of work/services completed.
- Depending on the size of the project and degree of completion each project is reviewed individually.
- Payments are made electronically (typically 60-90 days after contract execution).

Things to Consider

- Small Projects (overage, close-out, windfall)
- Large Projects (accounting, reconciliation)
- Progress payments
- P.4- Project Completion and Certification Report

Source Documentation

- Cancelled checks
- Paid bills/Invoices
- Certified Payroll and warrants
- Time cards
- Executed contracts w/ contractors
- Copies of bid documents
- Project certification forms
- Pictures
- Load tickets
- Monitoring spreadsheets

Steps taken by Municipality

- Ensure signatory is given all contracting documents and that they are executed properly.
- Keep detailed records and files for each project.
- Mirror file to match FEMA submission for ease of use.
- Keep copies of all proof of payment documents with original project file.
- Contact MEMA with any questions regarding reimbursement status.

Record Retention

- It is in everyone's best interest to keep PW documents indefinitely.
- Typically 7-10 years following disaster closeout.
- PW's may say that FEMA may audit up to 3 years from project closeout but OIG has much longer schedule.
- MEMA will retain copies of your files until state record retention thresholds are exceeded.

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